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Belleville Man Sentenced to 72 Months for Securities Fraud

TOPEKA, KS – Kansas Securities Commissioner Josh Ney has announced the conviction of a Belleville, Kan. man who was sentenced on Monday to 72 months in prison for running a fraudulent investment scheme in north central Kansas.

In a criminal case brought by the Kansas Securities Commissioner's office in the District Court of Republic County, Charles "Ray" Matthews, 52, pleaded guilty to a total of 3 counts of violating the Kansas Uniform Securities Act, including 1 count for securities fraud and 2 counts for the selling of unregistered securities.

Matthews defrauded at least 26 Kansas investors out of over \$50,000 between 2007 and 2012 by selling unregistered securities in a fraudulent enterprise centered around the production and sale of a Hope Chest Entertainment Center, a combination hope chest and entertainment cabinet designed by Matthews.

"My office is pleased that the victims of these fraudulent activities have seen justice served," said Securities Commissioner Ney. "Protecting Kansas investors and holding fraud artists accountable for their actions requires an effective partnership between state and local law enforcement offices. I appreciate the hard work of Special Assistant Attorney General Ryan Kriegshauser and the invaluable assistance of Republic County Attorney Marlea James in this matter."

Commissioner Ney encourages Kansans to contact his office if they suspect investment fraud or have a question about whether an investment professional or a security is properly registered.

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The mission of the Office of the Kansas Securities Commissioner (KSC) is to protect and inform Kansas investors; to promote integrity, fairness, and full disclosure in financial services; and to foster capital formation.